

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
          )  
W. R. GRACE & CO., et al.<sup>1</sup> ) Case No. 01-01139 (JJF)  
          )  
Debtors. ) (Jointly Administered)

**SUPPLEMENTAL AFFIDAVIT OF ANNE E. MORAN IN CONNECTION WITH THE  
DEBTORS' EMPLOYMENT OF  
STEPTOE & JOHNSON LLP AS SPECIAL TAX COUNSEL TO DEBTORS**

DISTRICT OF COLUMBIA)

) ss:

I, Anne E. Moran, being duly sworn, state as follows:

1. I am an attorney at law and a member of the bar of the District of Columbia. I am a partner of the law firm of Steptoe & Johnson, LLP ("Steptoe"), which maintains an office for the practice of law at 1330 Connecticut Avenue, N.W., Washington, DC

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<sup>1</sup> The Debtors consist of the following entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food >N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc.), Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

20036. I make this Supplemental Affidavit to describe representation by Steptoe of certain clients of Steptoe that have some relationship with the Debtors.

2. Steptoe is national counsel for toxic tort matters for Metropolitan Life Insurance Company ("Metropolitan"). Debtor is a co-defendant with Metropolitan in many asbestos and other toxic tort cases nationally. After inquiry, we believe that there is no actual current adversity between Debtor and Metropolitan. In some jurisdictions, however, local rule or docket administration orders deem cross-claims to be filed with respect to all co-defendants. Although in recent years there is no history of such cross claims being pursued, we make this disclosure out of an abundance of caution in light of the fact that some litigation dockets may show indications of technical adversity despite the fact that actual adversity does not currently exist.

3. Furthermore, Steptoe has previously informed the Debtor of the nature of its representation of Home Insurance Company (Home"), United States Fire Insurance Company ("U.S. Fire") and TIG Insurance Company ("TIG") as described in the Affidavit (and supplemental affidavits) filed with this Court. Debtors agreed to not disqualify Steptoe from any such unrelated work on behalf of Home, U.S. Fire and TIG as a result of Steptoe's tax-related work and to allow Steptoe to represent it and Home, U.S. Fire and TIG on these unrelated matters. Steptoe is in the process of informing Home, U.S. Fire and TIG as to the expanded scope of its representation of Debtors requested in the motion that this Affidavit accompanies.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing  
is true and correct.

Executed on Jan. 17, 2006.

Anne E. Moran  
Anne E. Moran

Subscribed and Sworn to before me  
this 7 day of Jan, 2006

John P. Wiegand  
Notary Public  
My Commission expires: 5/31/06